

DEPARTMENT OF ALCOHOL AND DRUG PROGRAMS

Amendment of Section 9525, Chapter 2.5, Division 4, Title 9, California Code of Regulations

COUNTY SACPA ALLOCATIONS

Text of Proposed Regulation

NOTE: Language to be added is shown in underline format; language to be deleted is shown in ~~strikeout~~ format. Only Section 9525 has been changed as the result of this emergency regulatory action. All other sections of Chapter 2.5 (commencing with Section 9500), Division 4, Title 9, California Code of Regulations remain unchanged.

AMEND SECTION 9525 AS SHOWN BELOW:

§ 9525. Distribution of SATTF Funds

- (a) Each year ~~t~~The Department shall reserve up to one half of one percent (0.5%) of total SATTF funds ~~available in the state trust fund~~ for a long-term evaluation as specified in Section 11999.10 of the Health and Safety Code.

NECESSITY: Needed to improve clarity

- (b) Subject to annual approval by the State Department of Finance, each year ~~t~~The Department may reserve, ~~subject to annual approval by the State Department of Finance, up to five percent (5.0%) of total SATTF funds available to counties in the state trust fund~~ pursuant to Section 11999.6 of the Health and Safety Code.

NECESSITY: Needed to improve clarity

- (c) The Department shall deduct any amounts withheld pursuant to (a) and (b) of this regulation, as well as its ~~administrative costs~~ for administration of the SACPA program, from the funds available in the state trust fund to determine the amount of State SATTF funds available to counties.
- (d) ~~Fifty percent (50%) of available SATTF funds shall be distributed as follows:~~
- (1) ~~Each county shall receive a base allocation of \$2,500 for every \$1 million available after the adjustments in (c) above.~~
- (2) ~~The Department shall increase each county's base allocation by an amount to be determined as follows:~~

- (A) ~~The Department shall compute the total of statewide base allocations as described in (d)(1) for all counties receiving funds and subtract this total amount from the available funds.~~
- (B) ~~After calculating the amount in (d)(2)(A) and subtracting the total from (d), the Department shall distribute the remaining balance by a proportion for each county, which shall be determined by dividing the county's total population by the total statewide population as shown in annual data obtained from the California Department of Finance.~~

NECESSITY: Replaced by new (d) below

- (d) For Fiscal Year (FY) 2004-05 and following fiscal years, SATTF funds available for SACPA allocations shall be distributed to counties as shown below:
 - (1) Fifty percent (50%) shall be based on county population, as described in (e) of this regulation.
 - (2) Approximately forty percent (40%) of each county's allocation shall be based on the county's annual SACPA treatment caseload data, as described in (f) of this regulation.
 - (3) Approximately ten percent (10%) of each county's allocation shall be based on the county's annual county drug arrest data, as described in (g) and (h) of this regulation.
 - (4) Any remaining available SATTF funds shall be allocated to counties as a supplemental allocation, as described in (i) of this regulation.

NECESSITY: Needed to clarify how annual allocations shall be computed. Needed to comply with Health and Safety Code (HSC) 11999.6, which requires a fair and equitable distribution of SACPA funds. The amount of the allocation based on SACPA treatment caseload data and county drug arrest data will vary year to year, based on fluctuations in actual county data.

- (e) ~~Twenty-five percent (25%) of available funds shall be distributed in accordance with the formula shown below:~~
 - (1) ~~The Department shall divide total drug arrests in each county for the most recent calendar year for which data is available by the total number of drug arrests statewide for the same time period. The Department shall obtain drug arrest data from the California Department of Justice's Bureau of Criminal Data.~~
 - (2) ~~The Department shall multiply the proportion determined for each county by the formula shown in (e)(1) by twenty five percent (25%) of available funds.~~

NECESSITY: Replaced by new (f) below

- (e) After the adjustments made in (c) above, approximately fifty percent (50%) of the remaining SATTF funds shall be distributed to counties based on county population.
- (1) Each county shall receive a minimum of \$146,278, which shall be adjusted by the ratio of each county's population to the total statewide population, based on county population and statewide population data obtained from the California Department of Finance for January 1, 2002.
- (2) The portion of the SACPA allocation based on county population shall remain constant for FY 2004-05 and following fiscal years to prevent drastic annual changes, in order to avoid disruption to county programs and facilitate county planning.

NECESSITY: Needed to clarify how allocation based on county population shall be developed.

- (f) ~~Twenty five percent (25%) of available funds shall be distributed as follows~~
- (1) ~~The Department shall divide the number of individuals receiving drug treatment services in each county, using the most recent statistically valid daily caseload data available to the Department, by the total number of individuals receiving drug treatment services statewide on the same date. The Department shall determine how many individuals are receiving drug treatment statewide and in each county based on data obtained by the Department through its client data collection system.~~
- (2) ~~The Department shall multiply the proportion determined for each county by the formula shown in (f)(1) by twenty five percent (25%) of available SATTF funds.~~

NECESSITY: Replaced by new (g) below

- (f) Approximately forty percent (40%) of the remaining SATTF funds shall be distributed to counties based on SACPA treatment caseload data.
- (1) As used in this regulation, "SACPA treatment caseload data" means the number of total SACPA treatment admissions obtained from the most current data available from the Department's client data collection system for the most recent fiscal year.
- (2) For each fiscal year's allocation, the Department shall calculate each county's SACPA treatment caseload rate by dividing total county SACPA treatment caseload data by the county's population and multiplying the resulting quotient by 1,000.

For example: If SACPA treatment caseload for a given county is 330 and its population is 791,600 the result of 330 divided by 791,600 would be .0004182. Multiplying .0004182 by 1,000 would produce a SACPA treatment caseload rate of .42.

NECESSITY: County SACPA treatment caseload data is modified to place counties on the same measuring scale, using county SACPA treatment caseload per thousand county population (as shown in the most recent annual data obtained from the California Department of Finance). The current methodology is structured so that the most populous counties receive the bulk of funding, regardless of the actual rate of drug treatment caseload. The proposed methodology seeks to minimize the weight of population, by standardizing SACPA treatment caseload as a rate per thousand of each county's population. This change is necessary to facilitate accurate county-to-county comparisons of SACPA treatment caseload, regardless of county population.

- (3) The allocation based on SACPA client treatment caseload shall vary year to year, in order to reflect actual county SACPA treatment needs.

NECESSITY: County SACPA client treatment caseload data is being used instead of county total client drug treatment data, because SACPA treatment caseload data is a more accurate indicator of county SACPA treatment needs than is total county client drug treatment data.

The portion of the SACPA allocation based on SACPA treatment caseload data is increased and the portion based on drug arrests is reduced. As a result of this change, future allocations will be based on counties' success in moving eligible offenders from court or parole referral to treatment programs. This change is necessary to provide a greater incentive for counties to improve placement of more SACPA clients in treatment in lieu of incarceration, as required by the Substance Abuse and Crime Prevention Act of 2000.

- (g) Approximately ten percent (10%) of the remaining SATTF funds shall be distributed to counties based on the most current county drug arrest data for the most recent calendar year, obtained from the California Department of Justice's Bureau of Criminal Data. The Department shall calculate each county's drug arrest rate by dividing total county drug arrests by the county's population and multiplying the resulting quotient by 1,000.

For example: If the number of drug arrests for a given county is 9,212 and its population is 791,600, the result of 9,212 divided by 791,600 would be .0116371. Multiplying .0116371 by 1,000 would produce a drug arrest rate of 11.64.

NECESSITY: The portion of the SACPA allocation based on drug arrests is reduced and the portion based on SACPA treatment caseload is increased. As a result of this change, future allocations will be based on counties' success in

moving eligible offenders from court or parole referral to treatment programs. This change is necessary to provide a greater incentive for counties to improve placement of more SACPA clients in treatment in lieu of incarceration, as required by the Substance Abuse and Crime Prevention Act of 2000.

County drug arrest data is modified to place counties on the same measuring scale, using drug arrests per thousand of county population. The current methodology is structured so that the most populous counties receive the bulk of funding, regardless of actual rate of drug arrests. The proposed methodology seeks to minimize the weight of population by standardizing drug arrests as a rate per thousand of each county's population. This change is necessary to facilitate accurate county-to-county comparisons of drug arrests, regardless of county population.

(h) For FY 2004-05 and following years, the Department shall adjust SACPA treatment caseload and drug arrests, using a standard score based on a standard deviation and a weighted average score, to standardize SACPA treatment caseload data and drug arrest data between counties so that county SACPA allocations more equitably meet county SACPA needs. The standard deviation, a measure of the variability around the mean, shall be used to determine the degree to which a county's drug arrest data or SACPA treatment caseload data actually deviate from the statewide mean, which (for this regulation) means total SACPA treatment caseload (or drug arrests) for all counties, divided by the number of counties. In the calculations, numbers are rounded to two decimal places, and dollar amounts are rounded to the nearest whole dollar.

(1) The county's number of standard deviations from the statewide mean shall be determined by subtracting the statewide mean from the county drug arrest rate and dividing the total by the standard deviation.

For example, if a statewide mean of 7.26 is subtracted from a county drug arrest rate of 11.64, the resulting remainder would be 4.38. Dividing 4.38 by the standard deviation of 4.28 would result in a county number of standard deviations from the statewide mean of 1.02.

(2) The county's number of standard deviations from the statewide mean shall be determined by subtracting the statewide mean from the county SACPA treatment caseload data and dividing the total by the standard deviation.

For example, if a statewide mean of 1.58 is subtracted from a county SACPA treatment caseload data rate of .42, the resulting remainder would be -1.16. Dividing -1.16 by the standard deviation of .8864 would result in a county number of standard deviations from the statewide mean of -1.30.

- (3) Each county shall be assigned a standard score based on its number of standard deviations from the statewide mean, as shown below (this chart will apply to both SACPA treatment caseload data and arrest data):

Number of Standard Deviations from Statewide Mean	Standard Score
Less than -3.001	0.80
-3.000 to -2.001	0.85
-2.000 to -1.001	0.90
-1.000 to -0.001	0.95
0	1.00
0.001 to 1.000	1.05
1.001 to 2.000	1.10
2.001 to 3.000	1.15
Greater than 3.001	1.20

For example, using the table above, the sample county's standard score for drug arrests would be 1.10, and its standard score for county SACPA treatment caseload data would be .90.

- (4) The weighted average score for each county shall be determined by adding the drug arrest rate standard score, multiplied by .2 [the weight assigned for all counties to the drug arrest rate standard score shown in the table in (g)(2) of this regulation] and the SACPA treatment caseload rate standard score, multiplied by .8, [the weight assigned for all counties to the SACPA treatment caseload standard score shown in the table in (g)(2) of this regulation].

For example: The drug arrest rate standard score of 1.10 would be multiplied by .2 resulting in a weighted drug arrest rate standard score of .22. The SACPA treatment caseload rate standard score of .9 would be multiplied by .8 resulting in a weighted SACPA treatment caseload standard score of .72. The product of .22 would be added to the product of .72, resulting a weighted average score of .94 for the sample county.

- (5) The weighted average score for each county shall be multiplied by the portion of the allocation for FY 2003-2004 that was based on county drug treatment caseload data and county drug arrest data, to calculate that portion of the new fiscal year allocation based on SACPA treatment caseload and drug arrests.

For example: The weighted average score of .94 for the sample county would be multiplied by \$2,863,016 (the portion of the allocation for FY 2003-2004 that was based on county drug treatment caseload data and county drug arrest data), resulting in a product of \$2,691,235.

NECESSITY: Needed to clarify how allocations based on SACPA treatment caseload data and drug arrest data shall be computed. Adjustments needed to standardize SACPA treatment caseload data and drug arrest data between counties so that county SACPA allocations are less influenced by county

population and are based more on SACPA treatment caseload. This change is needed so that county SACPA allocations more adequately respond to county SACPA needs.

- (i) The portion of the SACPA allocation, based on SACPA client treatment caseload and drug arrests [as adjusted in (h) of this regulation], shall be added to the portion of the SACPA allocation based on population [as identified in (d) of this regulation] to determine the amount of the county's initial allocation. If the sum of the initial allocations for all counties is less than the total available SATTF funds for the year, due to the adjustments made in (e) through (h), any remaining funds shall be distributed to counties as a supplemental allocation. The amount of each county's supplemental allocation shall be determined based on a ratio of each county's initial allocation to total county initial allocations.

For example: If the statewide total initial allocation is \$115,887,122) and the total SATTF funds statewide are \$117,022,956, subtracting the statewide total initial allocation from total SATTF funds statewide results in \$1,998,054 available to distribute to counties as a supplemental allocation. Dividing the sample county's initial allocation of \$3,970,638 by the total initial allocation for all counties of \$115,887,122, would result in a quotient of .03270974391. Multiplying .03270974391 by \$1,998,054 would result in a supplemental allocation for the sample county of \$38,917.

NECESSITY: In the current allocation each county received a percentage of total SATTF funds available. The new allocation is based on rates per thousand of population and use of a standard score, which may result in total initial allocations adding up to less than the total amount of available SATTF funds. Any remaining SATTF funds shall be distributed to counties as a supplemental allocation. Subsection (i) is needed to clarify how any remaining SATTF funds shall be allocated.

- (i) Each county's initial allocation, based on population, SACPA treatment caseload data, and drug arrest data, shall be added to the supplemental allocation to determine each county's total annual SACPA allocation.

For example, the sum of the sample county's allocation based on population of \$3,970,638, added to the sample county's supplemental allocation of \$38,917, would result in a total SACPA allocation for the sample county of \$4,009,555.

NECESSITY: Needed to clarify how counties' total annual SACPA allocations shall be determined.

- ~~(g)~~(k) If any county fails to submit plans and reports required pursuant to this Chapter that were due on or before January 31 of the current fiscal year, the Department shall withhold in the state trust fund twenty-five percent (25%) of the SATTF funds available

for distribution to that county for the next fiscal year. The Department shall distribute those funds to the county after it receives the outstanding plans and reports.

- ~~(h)~~(l) Except as specified in ~~(g)~~ (k) of this regulation, the Department shall distribute funds to counties annually via warrant (check) issued by the State Controller. The funds shall be (released upon approval of the county plan submitted in accordance with Section 9515, but no earlier than July 1 of each year.

NOTE: Authority cited: Section 11755, Health and Safety Code.

Reference: Section 11999.6, Health and Safety Code.